

based component, I have heard it called star wars, but nonetheless it is a program that, in its infancy, costs hundreds of millions of dollars a year, and it is going to grow to billions of dollars a year and eventually cost \$48 billion. The star wars program was increased in this process this year by 100 percent.

Now, the point is Star Schools you cut by 40 percent, star wars you increase by 100 percent. The question is, What do you think is worthy of a star here, schools or corporations that want to build a \$48 billion star wars program, because that is what this is. This is about special interests that want to build a weapons system the Secretary of Defense did not order, did not ask for, and says he does not need. The priority is clear: Star Schools or star wars. Cut Star Schools 40 percent, increase star wars 100 percent. If you think that enhances America's future, then that is what you do. I do not think it enhances America's future. I think it is exactly the wrong choice.

I use that example as I have before simply to say the question is not whether, but how, do we balance the budget.

Two other tiny little issues. I offered an amendment, and it was defeated on a party line vote, regrettably. It is an issue that I think also describes the how in terms of what we believe in. We have in the Tax Code in this country a perverse, insidious, little tax incentive that says, move your plant overseas. Close your plant in America, move it overseas to a tax haven country, and we will give you a tax break. I offered an amendment that said let us reduce the deficit by getting rid of this insidious little tax break that says move your plant and jobs overseas and we will give you a break. I lost on a party line vote.

In terms of priorities, the priority, it seems to me, in balancing the budget is to do what works to help create jobs and opportunities in our country. How better to help create jobs and opportunities than to shut off the faucet on a tax break that encourages plants to shut down in America and relocate overseas and take the jobs that used to be U.S. jobs and turn them into jobs in a tax haven country.

That is a priority we ought to pursue. Again, it is not whether, it is how do you balance the budget. Let us balance the budget by getting rid of this little tax break that is wrong for our country, that weakens our country, that says let us move jobs out of our country. That does not make any sense to me.

The smart choice is, yes, Star Schools, education, investment in the future. It is, yes, shutting off tax breaks that persuade people to move out of the country, and it also is, yes, choosing between a tax cut for the very wealthiest of Americans and a cut in Medicare reimbursement for some of the poorest of Americans.

That amendment also was offered, and I hope that will be reconsidered in

a reconciliation conference in the next week or two. What we said was very simple. Those of the upper income strata in this country have done very, very well. They have garnered a substantial portion of the income, regrettably, at the expense of the bottom portion of the income earners in our country. What we said with the amendment was very simple. We said, let us at least limit the tax break to incomes of a quarter of a million dollars or less, and then let us use the savings from that limitation to see if we cannot reduce the cut in Medicare that is going to affect some low-income elderly folks.

Once again, we lost, but again it is choices—what is important and what is not. Is it important to give the wealthiest people in our country a significant tax cut? Gee, I do not think so. It seems to me, if you look at the statistics, you will find that they have done very, very well, much better, with income growth that is substantial.

In fact, the top percent in our country have seen income growths on a real basis of something like 70 percent real income growth in a period of a decade, and the bottom 60 percent now sit down for supper at night at the family table and talk about their lot in life. What they discover is that they are working harder and earning less than 20 years ago when you adjust for inflation.

Our point is that we do not think it makes any sense to give big tax cuts to those at the upper one-half of 1 percent of the income earners at the same time that we are saying we cannot afford Medicare for some of the poorest of the elderly. And, again, it is a question of priorities.

I think that we are now on a track in the next week or two with respect to the reconciliation bill that will be constructive for this country.

I mentioned these three areas only because I think there are differences in priorities that are legitimate differences. On the other hand, it seems to me if Republicans and Democrats can sit down together in the next couple of weeks and if the President can sit down with Congress, out of the glare of the spotlights, a lot of agreement can result, and we can in fact balance this country's budget and put this country on solid financial footing for the years ahead.

This country, it seems to me, will be advantaged in a world in which we see increasingly competitive, shrewd, tough trade allies and others if we find some way to work more together, and I do not think that is an impossible circumstance. I know there is a lot of controversy floating around, and I get involved in it from time to time. I hear what the Speaker of the House says, and I may respond. But the fact is that with all of the controversy which circulates, we are still all on the same team. Our interest is the American economy. Our interest is American jobs and opportunities in the future.

It seems to me, even though we may belong to different political parties,

our country will be advantaged if we can find a thoughtful, sober, reflective way of choosing the right priorities that all of us think will move this country ahead and build a better economy and a better future.

My hope and my expectation is that maybe, just maybe, as we approach the Christmas season, more of a spirit of cooperativeness will exist. We put this question behind us of whether, and the question now is how to balance the budget. And although these are not easy questions to answer, I think people of good will can get together and do what is right for this country.

Mr. President, I see no other speakers waiting. I yield the floor, and I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

Mr. THOMAS. I ask unanimous consent that I may speak for a few minutes in morning business.

The PRESIDING OFFICER. The Senator from Wyoming.

#### BALANCING THE BUDGET

Mr. THOMAS. Mr. President, the Senator from North Dakota spoke just a few minutes ago about balancing the budget. And I was interested and pleased with his remarks. Certainly I agree with him that probably one of the most important issues that we have before us, and have had for this entire year, is the notion of becoming financially and fiscally responsible in this body and in this country, and doing so by balancing the budget.

It seems to me that there is a great deal involved with balancing the budget. It is more than a function of arithmetic; it is a function of determining the direction we take in this Government.

It is a function of dealing with spending. There are a number of ways to balance the budget. One of them, which President Clinton choose last year, was to raise taxes and continue to spend, and I suppose you could do that. You could balance the budget by continuing to spend and increasing taxes.

I think that is not what the American people said in 1994. They said we have too much Government, the Government is too large, it costs too much, and we need to balance the budget, but we need to balance the budget by reducing the growth in spending. Therein lies one of the differences.

The Senator said we ought to balance the budget. I agree with that. We have not done it in 30 years. It is fairly easy to say we ought to balance the budget. The evidence is that it is very easy to say that and more difficult to do it.

He said we ought to balance the budget in the right way. I agree. I have the right way; he does not have the right way. That is the problem. The right way hardly gets to it. But I do agree we need to get together. There are differences—there are significant differences—in how we do it, and I think it is our responsibility, as trustees for this Government, to find a way to get the kind of agreement that is necessary to balance the budget. We should do that, and we should do it soon.

I think we made great advances the week before last by getting an agreement with the White House, getting an agreement in this Congress that we will balance the budget in 7 years, using real figures, CBO figures.

There are some other words there: We are going to protect the environment, protect Medicare, protect education. I do not know quite what that means. We may have a different view of what "protect" means. None of us wants to do away with those things.

It seems to me one of the real challenges we have, as we move forward with this idea of balancing the budget, which we must do, is we need to start dealing with some facts. It is too easy to roll over into scare tactics in the political response by saying, "Yes, I'm going to protect Medicare." The fact is, you have to make some changes in Medicare if you want it to continue. If you want to have a health program for the elderly over time, you cannot continue to do what we have been doing. So you have to change it. But it is too easy to go to the country and say, "Those Republicans want to do away with Medicare." It is not true. It is just not true.

"We are going to do away with education." Do you know how much the Federal Government contributes to elementary and secondary education? About 5 percent of the total spending. The Senator from New Mexico, who is more knowledgeable than anyone else about the budget, indicated that this budget would have reduced in his State Federal aid by six-tenths of 1 percent, and yet here we are going to gut education.

I was pleased to hear that the Senator wants to balance the budget. The unfortunate part is we hear that all the time and then we go on for another 30 minutes indicating why we cannot do it. The time has come. We have come to the snubbing post. It is time to make the decisions, and I think we will.

I wish we would have passed a balanced budget amendment to the Constitution. The principal sponsor and advocate is right here on the floor, the Senator from Illinois. I wish we had done that for the discipline that is involved in doing it. It would have said, "Yes, you can argue about how it is done, but you are going to balance the budget because that is the Constitution." It is in the Constitution in my State of Wyoming, and we do it. We do it. We do not talk about it, we do it.

So, Mr. President, I look forward to that. I hope we get with the program in the next 3 weeks. We need to do that. We need to pass the appropriations bills. We need to get this balanced budget bill out. We do not need another delay of Government on the 15th of December. We need to get at the task, and I hope that we do it very soon.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I confess I just got in on the tail end of Senator THOMAS' remarks. From what I heard, I agree. I hope we can move quickly, and it illustrates why Senator THOMAS is going to be an asset to the Senate. I was told by a House Member from Illinois, Congressman DICK DURBIN, he said, "You are really going to like the new Senator from Wyoming." I hope I do not get him in trouble in Wyoming saying this now, but I have found that to be the case.

#### BOSNIA

Mr. SIMON. Mr. President, we have been discussing the Bosnian situation. I was critical of President Bush for not responding right away. I was critical of Bill Clinton when he became President for not responding. I joined those who voted for lifting the arms blockade. But I believe the President is acting in the national interest now, and we have to recognize the great threat to the future of our country in terms of security is no longer nuclear weapons, I am happy to say, it is instability. We are not going to get stability in Bosnia without United States leadership and involvement.

To the credit of the President, Warren Christopher and others, there is a peace agreement, which evolved in Dayton, OH, the Midwest of the United States, and I think it is imperative that we move ahead.

Last night, I was reading the Weekly Standard, Irving Crystal's new magazine. I try to get a diverse readership, and I hope it will not shock him that I am reading his publication. I ask unanimous consent to have printed in the RECORD the lead editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Weekly Standard, Dec. 4, 1995]

#### BOSNIA: SUPPORT THE PRESIDENT

Bosnian peace diplomacy, brokered by the United States, has passed a significant checkpoint in Dayton, Ohio. Now what? Administration advocates of the new accord oversell its merits. Secretary of State Christopher proclaims the agreement "a victory for all those who believe in a multiethnic democracy in Bosnia-Herzegovina." Another U.S. official calls it a "fantastic deal" for the Bosnian Muslims.

That's saying too much. U.S. policy has never been devoted to reversing all Serbian military encroachments on Bosnian government-held territory. The pact signed in Dayton ratifies most of those Serbian land-grabs—and, in effect, the demonically

ethnicized regional politics that impelled them. The country is to be divided along ethnic lines. Its new central government begins life enfeebled. The agreement's free-movement and resettlement promises appear fanciful.

But what the peace plan can possibly accomplish—a pacification of Balkan brutality sufficiently complete and lengthy to take root—is good enough. And better than much of the surprisingly strident, even cavalier, Republican opposition to the plan allows.

Bob Dole and Newt Gingrich expect the White House to request a non-binding resolution of congressional endorsement for the U.S. peacekeeping deployment required by the Dayton accord. Both men have their legitimate questions about that operation's details and contingencies, and about Balkan diplomacy's ultimate prospects. But they are holding open their options, and seem seriously concerned to maintain, as best they can, a bipartisan and muscular American foreign policy under presidential leadership.

Not so some of their vocal Republican colleagues. Phil Gramm, revealing previously undetected powers of international prognostication, somehow just knows that an American troop presence in Bosnia can only bring total disaster. He has "no confidence" in the president, whom he bitterly mocks with quotes reprinted in every American newspaper. Aside from Dick Lugar, measured and diplomatic as always, the rest of the GOP's presidential contenders are quick to agree. All firmly oppose Bosnian troop deployment. The Republican House of Representatives has already twice voted to defund the troops if it is not first granted the power to block them outright.

If cooler heads are to prevail, they had better open their mouths fast. It is obviously true, as Alan Keyes pointed out in the Florida presidential campaign debate a couple of weeks back, that for Bosnia and the rest of the world "there is a God" and U.S. military forces "are not Him." It is also true that there is a serious case against the troop deployment. Charles Krauthammer makes that case elsewhere in these pages.

But he does so while candidly conceding the damage such a last-minute withdrawal would do—first to American international credibility generally, and also to the NATO-led European security arrangements in which our national interest is inextricably intertwined. We may not be God, but where global security arrangements are concerned, we are the closest thing there is. And the United States would be a niggardly superpower indeed were we to withhold our mastery and muscle when they are asked for and widely expected to help halt horrifying bloodshed in Europe.

We are in Bosnia already. A high-profile regional peace accord, husbanded by American diplomacy, concluded on American soil, and announced in the Rose Garden of the White House, calls for us to go in deeper. To prevent it, at this point, Republicans would be forced to provoke a presidential foreign policy humiliation the likes of which probably have not been seen since the failure of Woodrow Wilson's League of Nations. And they would inescapably signal, in the process, that America is badly confused about its global status. And that an American president can no longer reliably serve as representative of his nation before the world.

Such a drastic diminution of presidential authority is dangerous. The Bosnia operation is a judgment call. The strongest case made by Bosnia doves still can't make it anything more than a judgment call. And in